

**STATEMENT OF PROCEEDINGS FOR THE REGULAR MEETING OF THE
CITY OF SAN FERNANDO OVERSIGHT BOARD**

**CITY OF SAN FERNANDO
CITY COUNCIL CHAMBERS
117 MACNEIL STREET
SAN FERNANDO, CALIFORNIA 91340**

Thursday, September 12, 2013

10:00 a.m.

AUDIO LINK FOR THE ENTIRE MEETING (13-4372)

Attachments: [Audio](#)

I. CALL TO ORDER

Vice Chair Ramirez called the meeting to order at 10:09 a.m.

II. ROLL CALL

Ivonne Evelyn Umana, Administrative Staff, called the roll:

**Present: Board Members Edgar Arroyo, Robert Moran, Monte Perez,
Jerry Ramirez and Vice Chair Federico Ramirez**

Absent: Board Member Jamaar Everett and Chair Judith Frank

III. ADMINISTRATIVE MATTERS

- 1. Recommendation: Approve the minutes of June 13, 2013. (13-4075)**

**On motion of Board Member Arroyo, seconded by Board Member Moran,
unanimously carried (Board Member Everett and Chair Frank being absent),
the Oversight Board approved the June 13, 2013 Minutes.**

Attachments: [June 13, 2013 Minutes](#)

IV. RECOMMENDATIONS

2. Recommendation: Adopt a resolution approving the ROPS 13-14B for the six-month fiscal period from January 1, 2014 through June 30, 2014, and taking certain other related actions. (13-4076)

Rafaela King, Interim Finance Director, presented a detailed overview of the staff report, and each line items on the ROPS 13-14B, informing that the Successor Agency is requesting \$2,750,087 for the current period enforceable obligations. During the presentation, Ms. King advised that Line Item Nos. 24 through 29 were added to the ROPS 13-14B.

Board Member Moran referred to Line Item No. 24, 1998 Tax Allocation Bonds Series, and inquired on the payments made by the City. Ms. King informed that the repayment was to the City of San Fernando for the advanced funds to the former Redevelopment Dissolution Agency (RDA) for the September 2011 Bond payments, principle and interest, 1998 Tax Allocation Bond Series. Don Penman, Interim City Manager, also added that the practice of the City was to make the payment on behalf of the RDA with the understanding that the money would be reimburse. Mr. Penman also explained that when ABx1 26 was implemented, and the ROPS were being reviewed, the expenditure was inadvertently omitted until now.

Board Member Perez inquired if the Successor Agency sought guidance from the Department of Finance on how to handle the expenditure that was omitted from past ROPS. Ms. King advised that there has been communication between the Successor Agency staff and the Department of Finance (DOF), but no guidance was provided on handling matters such as this, but by observation, the DOF will not consider any matters unless it is noted on the ROPS.

Vice Chair Ramirez inquired if the funds from Line Item No. 28, Retirement Tax Override, would be deposit to the retirement. Mr. Penman informed that Line Item No. 28 has specific language that the funding will be going into the retirement fund.

Board Member Moran inquired if Line Item 29, Prior Successor Agency Administrative Costs ROPS 2 and 3, refers to the Administrative Budget, Agenda Item No. 3. Vice Chair Ramirez clarified that Line Item No. 29 refers to the Administrative Costs for Fiscal Year 2012-2013 that were not covered due to Redevelopment Property Tax Trust Fund shortfalls for prior ROPS 2 and 3.

Board Member Moran requested a status on Line Item No. 13, LAUSD Litigation. Mr. Penman informed that this line item is still in litigation.

Vice Chair Ramirez also requested a status on Line Item No. 12, Wilshire Ventures - Attorney Fees. Mr. Penman advised that the matter has been resolved and would be retiring from the ROPS.

Vice Chair Ramirez suggested that for Line Item No. 21, Retirement Tax Override, the Successor Agency add a sentence within the description field box detailing that the total amount is exclusive of \$45,709 from Redevelopment Project Area 4, which is noted as a separate item on the ROPS 13-14B.

On motion of Board Member Perez, seconded by Board Member Arroyo, duly carried by the following vote, the Oversight Board requested the Successor Agency to add a sentence in the description field box for Line Item No. 21, Retirement Tax Override detailing the total amount is exclusive of \$45,709 from Redevelopment Project Area 4, which is noted as Line Item No. 28 of the ROPS 13-14B; and adopted Resolution No. 9, A Resolution of the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency Approving the Recognized Obligation Payment Schedule for the Six-Month Fiscal Period Commencing January 1, 2014 and Ending June 30, 2014, and Taking Certain Actions in Connection Therewith:

Ayes: 5 - Board Members Arroyo, Moran, Perez, Ramirez and Vice Chair Ramirez

Absent: 2 - Board Member Everett and Chair Frank

Attachments: [Staff Report, ROPS 13-14B, and Resolution](#)

3. Recommendation: Adopt a resolution approving the Successor Agency to the San Fernando Redevelopment Agency's Administrative Budget for ROPS 13-14B for the six-month fiscal period from January 1, 2014 through June 30, 2014. (13-4078)

Rafaela King, Interim Finance Director, presented an overview of the staff report provided to the Oversight Board.

Vice Chair Ramirez referred to Exhibit A and requested that the Successor Agency rename the column that reads "ROPS V Requested Amounts" to "ROPS 13-14B Requested Amounts".

On motion of Board Member Moran, seconded by Board Member Perez, duly carried by the following vote, the Oversight Board requested the Successor Agency staff to rename the column that reads "ROPS V Requested Amounts" to "ROPS 13-14B Requested Amounts" on Exhibit "A"; and adopted Resolution No. 10, A Resolution of the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency Approving Proposed Administrative Budgets Pursuant to Health and Safety Code Section 34177 and Taking Certain Actions in Connection Therewith:

Ayes: 5 - Board Members Arroyo, Moran, Perez, Ramirez and Vice Chair Ramirez

Absent: 2 - Board Member Everett and Chair Frank

Attachments: [Staff Report, Admin Budget 13-14B, and Resolution](#)

4. Recommendation: Adopt a resolution approving the Successor Agency to the San Fernando Redevelopment Agency's Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency for the fiscal period from July 1, 2013 through June 30, 2014. (13-4085)

Rafaela King, Interim Finance Director, presented an overview of the staff report provided to the Board, and noted that on the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses, Page 2, Section 4, the sentence "The beginning balance of the amount carried over due to insufficient funds from Fiscal Year 2012-2013 is \$162,611," was added, which was suggested by the City's consultants.

Board Member Moran questioned if this item relates to Line Item No. 29, Prior Successor Agency Administrative Costs ROPS 2 and 3, from ROPS 13-14B. Ms. King confirmed that it is related to Line Item No. 29 of ROPS 13-14B.

Board Member Perez requested clarification on the Allocation Method (Exhibit "1"). Ms. King noted that the document provided to the Oversight Board does not reflect the current workings of the Successor Agency.

Board Member Perez then recommended that the Successor Agency staff update the Allocation Method for the period of July 1, 2013 - December 31, 2013; and report back to the Oversight Board on the current methodology at a future meeting as a received and filed item.

On motion of Board Member Perez, seconded by Board Member Ramirez, duly carried by the following vote, the Oversight Board requested the Successor Agency staff to analyze the Allocation Method - for the period of July 1, 2013 - December 31, 2013 (Exhibit "1"); report back to the Oversight Board at a future meeting with the current methodology; and adopted Resolution No. 11, A Resolution of the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency Approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses Between the City and the Successor Agency and Taking Certain Actions in Connection Therewith:

Ayes: 5 - Board Members Arroyo, Moran, Perez, Ramirez and Vice Chair Ramirez

Absent: 2 - Board Member Everett and Chair Frank

Attachments: [Staff Report, Cooperative Agreement, and Resolution](#)

5. Recommendation: Adopt a resolution recommending approval of Subordination Agreement with Library Plaza Partners for a project at Third Street and Maclay Avenue. (13-4103)

Don Penman, Interim City Manager, presented an overview of the staff report provided to the Oversight Board informing that the Subordination Agreement for Library Plaza was approved by the Successor Agency on September 3, 2013, and introduced Adriana Gomez, Development Project Manager, Aszkenazy Development, Inc., to respond to questions posed by the Board Members.

Board Member Perez inquired what the two other projects are. Mr. Penman informed that one is a low-income housing on First Avenue, and the other is a commercial site on Truman Street.

Board Member Perez also inquired on the extent of the relationship with the Developer. Ms. Gomez responded that the first project was in 1992, Key One Townhomes; 1995, senior housing development, 16 units, on Park Avenue; and 2004, senior housing, 98 units, on Park Avenue and Kalisher Street.

Board Member Perez questioned if the Library Plaza Partners agreement was entered in 2000. Ms. Gomez responded that it was entered into a Disposition and Development Agreement with the City for six vacant lots that were demolished resulting from the 1994 earthquake.

On motion of Board Member Arroyo, seconded by Board Member Moran, duly carried by the following vote, the Oversight Board adopted Resolution No. 12, A Resolution of the Oversight Board of the Successor Agency to the San Fernando Redevelopment Agency Approving the A Subordination Agreement with Library Plaza Partners, LLC for the Library Plaza Development:

Ayes: 5 - Board Members Arroyo, Moran, Perez, Ramirez and Vice Chair Ramirez

Absent: 2 - Board Member Everett and Chair Frank

Attachments: [Staff Report, and Resolution](#)

V. STAFF COMMUNICATIONS

This time is set aside for Successor Agency staff to update the Board on important items initiated by staff or previously requested by the Oversight Board.

Don Penman, Interim City Manager, informed the Oversight Board that the ROPS 13-14B would be submitted to the Department of Finance and await the outcome.

Vice Chair Ramirez enquired on the Finding of Completion. Mr. Penman advised that due to current litigation, the Successor Agency does not anticipate receiving the Finding of Completion until litigation has been resolved.

By Common Consent, there being no objection (Board Member Everett and Chair Frank being absent), the Oversight Board accepted Mr. Penman's report.

VI. MISCELLANEOUS

6. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (13-4079)

Board Member Perez commended the Interim City Manager and the Interim Finance Director on their presentation of the Agenda Items before the Oversight Board.

There were no matters neither posted nor presented by the Oversight Board to be placed on an agenda for a future meeting.

7. Public Comment. (13-4080)

There were none.

8. Adjournment. (13-4081)

The meeting adjourned at 11:11 a.m. The next regular scheduled meeting is on October 10, 2013 at 10:00 a.m.